

EXHIBIT 2

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(*pro hac vice* application to be submitted)
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8 525 Route 73 N.
Marlton, New Jersey 08057
9 Telephone: (856) 797-9951
Email: sdenittis@denittislaw.com

10 *Attorneys for Plaintiffs
and the Proposed Class and Subclasses*

12
13 UNITED STATES DISTRICT COURT

14 NORTHERN DISTRICT OF CALIFORNIA

15 AYANA STEVENSON,
16 DAVID AMBROSE and
LISA RAMIREZ,
17 For Themselves,
As Private Attorneys General, and
18 On Behalf Of All Others Similarly Situated,

20 Plaintiffs,

21 v.

22 SIRIUS XM RADIO INC.,

23 Defendant.

Case No. 3:23-cv-02367-WHO

**DECLARATION OF DANIEL M.
HATTIS IN SUPPORT OF
SUPPLEMENTAL BRIEF IN SUPPORT
OF PLAINTIFFS' OPPOSITION TO
MOTION TO COMPEL ARBITRATION**

Hearing

Date: September 27, 2023

Time: 2:00 p.m.

Place: Zoom Webinar

[Hon. William H. Orrick]

Complaint Filed: April 14, 2023

Action Removed: May 15, 2023

DECLARATION OF DANIEL M. HATTIS

I, Daniel M. Hattis, declare as follows:

1. I am an adult more than 18 years of age, and I am not a party to this civil action. I am an attorney in good standing with the State Bar of California and the Washington State Bar Association, and I am an attorney of record in this action representing Plaintiffs Ayana Stevenson, David Ambrose and Lisa Ramirez (collectively, "Plaintiffs"). I make all statements in this declaration based upon my personal knowledge except as to statements made upon information and belief and, as to those, I believe them to be true. If called to testify, I would and could testify competently as follows:

2. In a set of proceedings before the American Arbitration Association (“AAA”), a total of 13,535 consumers have filed with the AAA and served on Sirius XM their individual Demands For Arbitration, with 1,262 of the claimants being from California. A separate total of 3,876 consumers have served pre-arbitration notices on Sirius XM and intend to file and serve Demands For Arbitration once the 60-day notice period has expired, with 357 of the potential claimants being from California. These two groups of consumers (the claimants and the potential claimants) will be referred to herein collectively as the “Arbitration Claimants.”

3. The Arbitration Claimants are making the same factual allegations as Plaintiffs: that Sirius XM falsely advertises its music plans at lower prices than it actually charges in order to extract additional profits from its customers, by tacking on a bogus and inadequately disclosed so-called “U.S. Music Royalty Fee.” Once the consumer has been lured to sign up, Sirius XM prevents him or her from learning about its scheme by never thereafter sending the customer periodic bills or payment receipts. All the while, Sirius XM silently and automatically renews the customer’s subscription month after month and year after year.

4. The Arbitration Claimants are represented by the same counsel who are representing Plaintiffs in this action, specifically, the law firm of Hattis & Lukacs and the law firm of DeNittis Osefchen Prince, P.C. I am lead counsel with regard to these arbitrations.

5. The Arbitration Claimants are different in certain ways from Plaintiffs and from the Class proposed in this action. The Arbitration Claimants have decided that they prefer to

1 bring individual claims against Sirius XM in arbitration; they would prefer not to be a part of a
 2 class action. While the Plaintiffs and Class members are all California residents alleging that
 3 Sirius XM's false advertising and deceptive practices violate California law, the Arbitration
 4 Claimants come from all 50 states (plus the District of Columbia) and allege that Sirius XM's
 5 false advertising and deceptive practices violate the laws of their respective jurisdictions. The
 6 Arbitration Claimants are not parties to this action, do not want to be a part of the Class, and
 7 are not before this Court.

8 6. Of the total of 17,411 Arbitration Claimants, a sub-set of 1,619 are from
 9 California, and a sub-set of 451 are from New Jersey (the relevance of which will be explained
 10 below). That leaves a total of 15,341 Arbitration Claimants not from California or New Jersey.

11 7. The Arbitration Claimants' pre-arbitration notices and Demands For Arbitration
 12 were served in different tranches. The focus of the Supplemental Brief and this Declaration is
 13 on the first tranche of Arbitration Claimants that filed and served Demands For Arbitration (the
 14 arbitration cases whose initial filing fees have thus far been invoiced by the AAA).

15 8. On July 18, 2023, the AAA invoiced the first tranche of 5,943 Arbitration
 16 Claimants for their initial filing fees (a tranche which the AAA had divided into two sets,
 17 depending on which version of the Sirius XM Customer Agreement was being enforced).
 18 Attached as **Exhibit A** is a true and correct copy of AAA's invoice dated July 18, 2023,
 19 invoicing Arbitration Claimants the sum of \$443,750 for 5,570 cases filed under the Customer
 20 Agreement dated Oct. 14, 2021 (with the AAA's banking information redacted). Attached as
 21 **Exhibit B** is a true and correct copy of AAA's invoice dated July 18, 2023, invoicing
 22 Arbitration Claimants the sum of \$46,635 for 373 cases filed under Customer Agreement of
 23 July 1, 2018 (with the AAA's banking information redacted).

24 9. On July 26, 2023, the two sets of initial Arbitration Claimants paid their AAA
 25 filing fees of \$443,750 and \$46,635, respectively (which totaled \$490,385). Attached as
 26 **Exhibit C** is a true and correct of the email that I sent to the AAA Finance Dept.
 27 (corpfinance@adr.com), on July 26, 2023, at 11:48 a.m., in which I stated, "I have sent two
 28 wires today, July 26, 2023, to the AAA as payment for the 2 attached invoices[.]"

1 10. On July 28, 2023, the AAA sent two letters confirming that “[t]he consumers
 2 have now met the administrative filing requirements on each of the . . . cases filed.” Attached
 3 as **Exhibit D** is a true and correct copy of the confirmation letter from Victoria Chandler to
 4 myself and others, dated July 28, 2023, for 5,570 cases. Attached as **Exhibit E** is a true and
 5 correct copy of the confirmation letter from Victoria Chandler to myself and others, dated July
 6 28, 2023, for 373 cases.

7 11. On July 28, 2023, the AAA issued two invoices to Sirius XM for its share of the
 8 AAA fees, which were \$932,000 for the 5,570 cases and \$121,225 for the 373 cases (for a total
 9 due from Sirius XM to the AAA of \$1,053,225). Attached as **Exhibit F** is a true and correct
 10 copy of the AAA invoice to Sirius XM dated July 28, 2023, invoicing Sirius XM for the sum of
 11 \$932,000 for 5,570 cases (with the AAA’s banking information redacted). Attached as **Exhibit**
 12 **G** is a true and correct copy of the AAA invoice to Sirius XM dated July 28, 2023, invoicing
 13 Sirius XM for the sum of \$46,625 for 373 cases (with the AAA’s banking information
 14 redacted).

15 12. On August 7, 2023, Sirius XM refused to pay the AAA arbitration invoices;
 16 instead, Sirius XM stated that it would pay only the arbitration filing fees associated with the
 17 claims of the 782 Arbitration Claimants who reside in California or New Jersey. “Pursuant to
 18 AAA’s rules and procedures, Sirius XM respectfully declines to pay its share of any filing fees
 19 in connection with Claimants’ demands, except as to filing fees in connection with any
 20 demands filed by California or New Jersey Claimants.” Attached as **Exhibit H** is a true and
 21 correct copy of the refusal letter from Eric P. Stephens, Esq., counsel for Sirius XM, to Victoria
 22 Chandler, dated August 7, 2023, with the (redundant) exhibits removed. (It is important to note
 23 that the AAA rules do not permit a business to unilaterally decide not to pay its portion of the
 24 AAA arbitration fees.)

25 13. Meanwhile, with regard to the 782 California and New Jersey claimants, Sirius
 26 XM has stated only that it will pay the initial filing fees for those cases. Sirius XM has not
 27 confirmed that it will pay the other AAA fees (e.g., the administrative fees and the arbitrator
 28 fees), which have not yet been invoiced, for those 782 cases. Sirius XM also has not confirmed

1 that it will pay the AAA fees for all other current or future California and New Jersey consumer
 2 arbitration cases—including another 832 cases which have already been filed (but not yet
 3 invoiced), and another 456 cases for which Sirius XM has received pre-arbitration notices.

4 14. On August 21, 2023, the AAA decided to issue separate invoices to Sirius XM
 5 for the 781 California and New Jersey cases. “As respondent has advised they will only pay
 6 filing fees to proceed with administration against those claimants residing in California and
 7 New Jersey, we are providing invoices to solely reflect the New Jersey and California
 8 claimants.” Attached as **Exhibit I** is a true and correct copy of the letter from Victoria Chandler
 9 to myself and others, dated Aug. 21, 2023. (The AAA omitted one California case in error from
 10 the new separate invoices (thus invoicing 781 cases instead of 782 cases), and the AAA later
 11 issued an additional invoice for that single case to Sirius XM on September 11, 2023, with a
 12 payment deadline of October 11, 2023.)

13 15. With regard to the non-California and non-New Jersey cases, the AAA noted
 14 that, while the Arbitration Claimants had the option to pay Sirius XM’s fees after Sirius XM’s
 15 default, the AAA would close the cases if neither side paid the fees by the deadline of August
 16 28, 2023. “As for the remaining non-California and New Jersey cases, as the respondent has
 17 advised they will not pay the filing fees for these matters, in order for the matters to proceed in
 18 AAA arbitration, the claimants could choose to pay Sirius’s portion of the filing fees. Unless
 19 the claimants’ [sic] or Sirius pay Sirius’s portion of the filing fees for the non-California and
 20 New Jersey cases, the AAA will close all these cases after August 28, 2023.” Exhibit I, p. 2.

21 16. On August 21, 2023, the Arbitration Claimants declined to pay the fees due and
 22 owing from Sirius XM. Attached as **Exhibit J** is a true and correct copy of the email from
 23 myself to Victoria Chandler and others, sent on Aug. 21, 2023, in which the Arbitration
 24 Claimants declined to pay the arbitration fees due and owing from Sirius XM.

25 17. On September 6, 2023, the AAA closed all of the cases in the first tranche (other
 26 than the California and New Jersey cases) due to Sirius XM’s refusal to pay its arbitral fees.
 27 Attached as **Exhibit K** is a true and correct copy of the letter from Victoria Chandler to myself
 28 and others, dated Sept. 6, 2023, closing 4,843 cases. Attached as **Exhibit L** is a true and correct

1 copy of the letter from Victoria Chandler to myself and others, dated Sept. 6, 2023, closing 318
2 cases.

3 I declare under penalty of perjury under the laws of the United States of America that
4 all of the foregoing is true and correct. Executed on September 22, 2023, in King County, State
5 of Washington.

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7 _____
8 Daniel M. Hattis
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EXHIBIT A

AMERICAN
ARBITRATION
ASSOCIATION®INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®13727 Noel Road Suite 1025
Dallas TX 75240

Statement Date	Amount Due
07/18/2023	\$442,750.00
Description	
5,570 Individuals v Sirius XM	

Invoice

Daniel M. Harris, Esq.
 Hattis & Lukacs
 400 108th Avenue NE Suite 500
 Bellevue, WA 98004

Date	Reference Number	Description	Balance	Due Date
7/18/2023	01-23-0002-6406	Initial Administrative Fee $* 500 \text{ cases} \times \$125.00 = \$62,500$ $* 5,070 \text{ cases} \times \$75.00 = \$380,250$	\$442,750.00	August 17, 2023

Payment Options

Wire Transfer / ACH / EFT

As information transmitted by the bank is often truncated due to limited space, please email your reference information (01-23-0002-6439 Individuals v. Coinbase) with the date and amount of your wire, to ensure that your payment is credited promptly and correctly to corpfinance@adr.org and Consumerfinances@adr.org.

Name of Bank: [REDACTED]

Address: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

ABA/Transit Number: [REDACTED]

Reference:

Swift Code/BIC: [REDACTED]

Note: Please take steps to ensure that your bank does in fact wire the entire amount to our account. From time to time, certain banks will keep a portion of the wire transfer for their own service fee, leaving a balance due to the AAA/ICDR.

Paying by Check

Checks should be made payable to the American Arbitration Association and include the reference number noted above. Please return this page with your payment to:

American Arbitration Association
Attn: Finance Director
13727 Noel Road
Suite 1025
Dallas, TX 75240

Corporate Address and Tax ID: American Arbitration Association, 120 Broadway, 21st Floor, New York, NY 10271, EIN # 13-0429745

EXHIBIT B

AMERICAN
ARBITRATION
ASSOCIATION®INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®13727 Noel Road Suite 1025
Dallas TX 75240

Statement Date	Amount Due
07/18/2023	\$46,625.00
Description	
373 Individuals v Sirius XM	

Invoice

Daniel M. Harris, Esq.
 Hattis & Lukacs
 400 108th Avenue NE Suite 500
 Bellevue, WA 98004

Date	Reference Number	Description	Balance	Due Date
7/18/2023	01-23-0003-1392	Initial Administrative Fee (373 cases X \$125.00)	\$46,625.00	August 17, 2023

Payment Options

Wire Transfer / ACH / EFT

As information transmitted by the bank is often truncated due to limited space, please email your reference information (01-23-0002-6439 Individuals v. Coinbase) with the date and amount of your wire, to ensure that your payment is credited promptly and correctly to corpfinance@adr.org and Consumerfinances@adr.org.

Name of Bank: [REDACTED]

Address: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

ABA/Transit Number: [REDACTED]

Reference:

Swift Code/BIC: [REDACTED]

Note: Please take steps to ensure that your bank does in fact wire the entire amount to our account. From time to time, certain banks will keep a portion of the wire transfer for their own service fee, leaving a balance due to the AAA/ICDR.

Paying by Check

Checks should be made payable to the American Arbitration Association and include the reference number noted above. Please return this page with your payment to:

American Arbitration Association
Attn: Finance Director
13727 Noel Road
Suite 1025
Dallas, TX 75240

Corporate Address and Tax ID: American Arbitration Association, 120 Broadway, 21st Floor, New York, NY 10271, EIN # 13-0429745

EXHIBIT C

Paul Karl Lukacs

From: Daniel Hattis
Sent: Wednesday, July 26, 2023 11:48 AM
To: corpfinance@adr.org; Consumerfinances@adr.org; AAA Victoria Chandler
Cc: Steve DeNittis; Che Corrington; Paul Karl Lukacs
Subject: Re: Individual Claimants v. Sirius XM Radio, Inc. 01-23-0002-6406 and 01-23-0002-6406
Attachments: 2023.07.18 AAA - Invoice - 5,570 Sirius Cases.pdf; 2023.07.18 AAA - Invoice - 373 Sirius Cases.pdf

Dear Ms. Chandler and AAA finance department:

I have sent 2 separate wires today, July 26, 2023, to the AAA as payment for the 2 attached invoices.

The wires are coming from Hattis Law PLLC.

Wire #1: \$442,750.00 with memo line: Consumers v SiriusXM Ref No. 01-23-0002-6406

Wire #2: \$46,625.00 with memo line: Consumers v Sirius Ref No 01-23-0003-1392

Please let me know if you have any problems or questions.

Thank you,

Dan Hattis
Hattis & Lukacs
11711 SE 8th Street, Suite 120
Bellevue, WA 98005
Direct: (425) 233-8628
www.hattislaw.com

From: AAA Victoria Chandler <VictoriaChandler@adr.org>
Date: Tuesday, July 18, 2023 at 7:59 AM
To: Daniel Hattis <dan@hattislaw.com>, Che Corrington <che@hattislaw.com>, Paul Karl Lukacs <pk@hattislaw.com>
Subject: Individual Claimants v. Sirius XM Radio, Inc. 01-23-0002-6406 and 01-23-0002-6406

Counsel –

As noted in my previous correspondence, attached are the invoices, and case lists for the two mass arbitration filings against Sirius XM Radio, Inc.

Thank You

Victoria



AAA Victoria Chandler
Director of ADR Operations

American Arbitration Association

T: 612 278 5124 F: 612 342 2334 E:
VictoriaChandler@adr.org
2355 Highway 36 West, Suite 400, Roseville, MN 55113
adr.org | icdr.org | aaamediation.org



The information in this transmittal (including attachments, if any) is privileged and/or confidential and is intended only for the recipient(s) listed above. Any review, use, disclosure, distribution or copying of this transmittal is prohibited except by or on behalf of the intended recipient. If you have received this transmittal in error, please notify me immediately by reply email and destroy all copies of the transmittal. Thank you.

EXHIBIT D



AMERICAN
ARBITRATION
ASSOCIATION®

INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®

Neil Currie
Vice President
2355 Highway 36 W.
Suite 400
Roseville, MN 55113
Telephone: (612)332-6545
Fax: (612)342-2334

July 28, 2023

Daniel M. Hattis, Esq.
Hattis & Lukacs
400 108th Avenue NE
Suite 500
Bellevue, WA 98004
Via Email to: dan@hattislaw.com

Lee A. Armstrong, Esq.
Jones Day
250 Vesey Street
New York, NY 10281-1047
Via Email to: laarmstrong@jonesday.com

Case Number: 01-23-0002-6406

5,570 Individual Claimants
-vs-
Sirius XM Radio, Inc.

Dear Parties:

The American Arbitration Association (AAA) acknowledges receipt of 5,570 individual consumer demands for arbitration filed against Sirius XM Radio, Inc. (Sirius). The consumers have now met the administrative filing requirements on each of the 5,570 cases filed. A list of these cases is enclosed.

The AAA has determined that as these filings meet the threshold of a Multiple Case Filing group, they will be administered under the [Supplementary Rules For Multiple Case Filings](#) in conjunction with the [Consumer Arbitration Rules](#).

At this time, Sirius, is now responsible for payment of the initial filing fee for these 5,570 cases totaling \$932,000.00. Payment from the Business is due upon receipt. As some of these arbitrations are subject to California Code of Civil Procedure sections 1281.97 and 1281.98, payment from the Business must be paid by 30 days from the date of this letter or the AAA may close this case. In accordance with California Code of Civil Procedure section 12(a), please note that since this date falls on a weekend or holiday, payment must be paid by **August 28, 2023**.

As the filing requirements were met after August 1, 2021, the [Supplementary Rules for Multiple Case Filings](#) will apply to these 5,570 individual cases. The parties may find more information at: [AAA Consumer Multiple Case Filing](#).

Payment may be submitted by credit card or electronic check. Please confirm the email address to which the AAA will send a secured paylink and the instructions for payment via either method. If paying by check, please make it payable to the American Arbitration Association (AAA) and send it to the AAA at 13727 Noel Road, Suite 1025, Dallas, TX 75240.

The AAA encourages the parties to meet and confer on processes that promote an efficient and economical path toward the resolution of these matters. Once the parties have met their respective filing requirements, the AAA will schedule an administrative call with the parties to further discuss any potential efficiencies.

Sincerely,

/s/

Victoria Chandler
Director of ADR Operations
Direct Dial: (612)278-5124
Email: VictoriaChandler@adr.org
Fax: (612)342-2334

Enclosure

cc: Paul K. Lukacs, Esq.
Che Corrington, Esq.
Eric P. Stephens

EXHIBIT E



AMERICAN
ARBITRATION
ASSOCIATION®

INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®

Neil Currie
Vice President
2355 Highway 36 W.
Suite 400
Roseville, MN 55113
Telephone: (612)332-6545
Fax: (612)342-2334

July 28, 2023

Daniel M. Hattis, Esq.
Hattis & Lukacs
400 108th Avenue NE
Suite 500
Bellevue, WA 98004
Via Email to: dan@hattislaw.com

Lee A. Armstrong, Esq.
Jones Day
250 Vesey Street
New York, NY 10281-1047
Via Email to: laarmstrong@jonesday.com

Case Number: 01-23-0003-1392

373 Individual Claimants
-vs-
Sirius XM Radio, Inc.

Dear Parties:

The American Arbitration Association (AAA) acknowledges receipt of 373 individual consumer demands for arbitration filed against Sirius XM Radio, Inc. (Sirius). The consumers have now met the administrative filing requirements on each of the 373 cases filed. A list of these cases is enclosed.

The AAA has determined that as these filings meet the threshold of a Multiple Case Filing group, they will be administered under the [Supplementary Rules For Multiple Case Filings](#) in conjunction with the [Consumer Arbitration Rules](#).

At this time, Sirius, is now responsible for payment of the initial filing fee for these 373 cases totaling \$121,225.00. Payment from the Business is due upon receipt. As some of these arbitrations are subject to California Code of Civil Procedure sections 1281.97 and 1281.98, payment from the Business must be paid by 30 days from the date of this letter or the AAA may close this case. In accordance with California Code of Civil Procedure section 12(a), please note that since this date falls on a weekend or holiday, payment must be paid by **August 28, 2023**.

As the filing requirements were met after August 1, 2021, the [Supplementary Rules for Multiple Case Filings](#) will apply to these 373 individual cases. The parties may find more information at: [AAA Consumer Multiple Case Filing](#).

Payment may be submitted by credit card or electronic check. Please confirm the email address to which the AAA will send a secured paylink and the instructions for payment via either method. If paying by check, please make it payable to the American Arbitration Association (AAA) and send it to the AAA at 13727 Noel Road, Suite 1025, Dallas, TX 75240.

The AAA encourages the parties to meet and confer on processes that promote an efficient and economical path toward the resolution of these matters. Once the parties have met their respective filing requirements, the AAA will schedule an administrative call with the parties to further discuss any potential efficiencies.

Sincerely,

/s/

Victoria Chandler
Director of ADR Operations
Direct Dial: (612)278-5124
Email: VictoriaChandler@adr.org
Fax: (612)342-2334

Enclosure

cc: Paul K. Lukacs, Esq.
Che Corrington, Esq.
Eric P. Stephens
Stephen DeNittis

EXHIBIT F

AMERICAN
ARBITRATION
ASSOCIATION®INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®13727 Noel Road Suite 1025
Dallas TX 75240

Statement Date	Amount Due
07/28/2023	\$932,000
Description	
5,570 Individuals v Sirius XM	

Invoice

Lee Armstrong Esq.
 Jones Day
 250 Vesey Street
 New York, NY 10281

Date	Reference Number	Description	Balance	Due Date
7/28/2023	01-23-0002-6406	* 500 cases x \$325.00 = \$162,500 * 1000 cases x \$250.00 = \$250,000 * 1500 cases x \$175.00 = \$262,500 * 2570 cases x \$100.00 = \$257,000	\$932,000.00	Due Upon Receipt

Payment Options

Wire Transfer / ACH / EFT

As information transmitted by the bank is often truncated due to limited space, please email your reference information (01-23-0002-6406 Individuals v. Sirius XM) with the date and amount of your wire, to ensure that your payment is credited promptly and correctly to corporatefinance@adr.org and Consumerfinances@adr.org.

Name of Bank: [REDACTED]

Address: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

ABA/Transit Number: [REDACTED]

Reference:

Swift Code/BIC: [REDACTED]

Note: Please take steps to ensure that your bank does in fact wire the entire amount to our account. From time to time, certain banks will keep a portion of the wire transfer for their own service fee, leaving a balance due to the AAA/ICDR.

Paying by Check

Checks should be made payable to the American Arbitration Association and include the reference number noted above. Please return this page with your payment to:

American Arbitration Association
Attn: Finance Director
13727 Noel Road
Suite 1025
Dallas, TX 75240

Corporate Address and Tax ID: American Arbitration Association, 120 Broadway, 21st Floor, New York, NY 10271, EIN # 13-0429745

EXHIBIT G

AMERICAN
ARBITRATION
ASSOCIATION®INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®13727 Noel Road Suite 1025
Dallas TX 75240

Statement Date	Amount Due
07/28/2023	\$121,225.00
Description	
373 Individuals v Sirius XM	

Invoice

Lee Armstrong Esq.
 Jones Day
 250 Vesey Street
 New York, NY 10281

Date	Reference Number	Description	Balance	Due Date
7/28/2023	01-23-0003-1392	Initial Administrative Fee (373 cases X \$325.00)	\$121,225.00	Due Upon Receipt

Payment Options

Wire Transfer / ACH / EFT

As information transmitted by the bank is often truncated due to limited space, please email your reference information (01-23-0003-1392 Individuals v Sirius XM) with the date and amount of your wire, to ensure that your payment is credited promptly and correctly to corpfinance@adr.org and Consumerfinances@adr.org.

Name of Bank: [REDACTED]

Address: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

ABA/Transit Number: [REDACTED]

Reference:

Swift Code/BIC: [REDACTED]

Note: Please take steps to ensure that your bank does in fact wire the entire amount to our account. From time to time, certain banks will keep a portion of the wire transfer for their own service fee, leaving a balance due to the AAA/ICDR.

Paying by Check

Checks should be made payable to the American Arbitration Association and include the reference number noted above. Please return this page with your payment to:

American Arbitration Association
Attn: Finance Director
13727 Noel Road
Suite 1025
Dallas, TX 75240

Corporate Address and Tax ID: American Arbitration Association, 120 Broadway, 21st Floor, New York, NY 10271, EIN # 13-0429745

EXHIBIT H

JONES DAY

250 VESEY STREET • NEW YORK, NEW YORK 10281.1047
TELEPHONE: +1.212.326.3939 • JONESDAY.COM

DIRECT NUMBER: 2123263916
EPSTEPHENS@JONESDAY.COM

August 7, 2023

VIA ELECTRONIC MAIL

Victoria Chandler
American Arbitration Association
120 Broadway
21st Floor
New York, NY 10271
MultiCaseFiling@adr.org

Re: *Individual Claimants v. Sirius XM Radio Inc.*
Case Nos. 01-23-0003-1392, 01-23-0002-6406

Dear Ms. Chandler:

We write in response to your letters of July 28, 2023 requesting the payment of initial filing fees and attaching invoices for 5,943 claims in the above referenced matters. *See* attached Exhibits A (letter re Case 01-23-0003-1392, concerning 373 claims) and B (letter re Case 01-23-0002-6406 concerning an additional 5,570 claims).

Pursuant to AAA's rules and procedures, Sirius XM respectfully declines to pay its share of any filing fees in connection with Claimants' demands, except as to filing fees in connection with any demands filed by California or New Jersey Claimants. The reason is simple: Claimants' demands are meritless, and they are made for an improper purpose.

Claimants complain that Sirius XM deceives its customers in how it discloses its U.S. Music Royalty Fee and its automatic subscription renewal practices. But Sirius XM plainly discloses the U.S. Music Royalty Fee, as a federal court already held years ago when Sirius XM was confronted with a similar claim. *See Blessing v. Sirius XM Radio Inc.*, 775 F. Supp. 2d 650, 654 (S.D.N.Y. 2011) ("There is no dispute that the amount of the MRF was accurately disclosed; the website disclosed the fee and each bill specified the precise amount charged."). Sirius XM also clearly informs its customers that their subscriptions will automatically renew absent cancellation. Indeed, *more than half of all Claimants remain Sirius XM subscribers* even though they now "know" about Sirius XM's supposed deception, proving that they were never harmed by Sirius XM's supposed misconduct or misled in the first place.

Despite the obvious weakness of these claims, the Hattis & Lukacs law firm has filed 5,943 near-identical (but putatively "individual") arbitral demands against Sirius XM, and appears intent

JONES DAY

Victoria Chandler
 August 7, 2023
 Page 2

on filing many more.¹ It is obvious what is going on: Hattis & Lukas seeks to leverage the cost of arbitral fees to coerce a settlement wholly divorced from the viability of the underlying claims.

In order to preserve its rights and the integrity of the arbitral process, Sirius XM exercises the option expressly provided by the AAA rules to choose not to pay arbitration fees. *See AAA Supplementary Rule for Multiple Case Filings, MC-10(d).* In such circumstances, AAA affords the other party the opportunity to proceed in arbitration by advancing those fees. *See id.* Should that other party (or its counsel) choose to advance those fees consistent with the AAA's procedures, they may recoup them in arbitration—provided, of course, that the claims were not “filed for the purpose of harassment” or were not “patently frivolous.” AAA R-44(c); *see also* R-44(d).

If the Claimants elect to advance these fees (directly or through counsel), Sirius XM will participate in the arbitrations and defend itself vigorously against these meritless claims. If, however, the Claimants elect to waive arbitration by not advancing the fees, Sirius XM expects that AAA will “decline to administer” the arbitrations, and then “either party may choose to submit its dispute to the appropriate court for resolution.” Consumer Arbitration Rule R-1(d); *see AAA Supplementary Rule for Multiple Case Filings, MC-10(d)* (“If administrative fees . . . have not been paid in full, the AAA may notify the parties in order that one party may advance the required payment within the time specified by the AAA.”).

Sirius XM intends for this early notice to help ensure AAA's resources are conserved. To that end, please provide a list of the California and New Jersey Claimants who have satisfied AAA's filing requirements and confirm those Claimants have paid their own share of the fees.² Please also prepare an invoice reflecting Sirius XM's fees in connection with those claims so that Sirius XM can make prompt payment. In preparing the invoice, Sirius XM requests that AAA apply its Multiple Consumer Case Filing Fee thresholds based the total number of claims, as opposed to two (or more) separate tranches of claims. *I.e.* fees should be based on a total of 782 claims (not separate cases with 55 claims and 727 claims, respectively).

All of these claims meet the definition of a single Multiple Case Filing as they are: (i) part of “twenty-five or more similar Demands for Arbitration . . . filed against or on behalf of the same party or related parties”; and (ii) “representation of the parties is consistent or coordinated across the cases.” *See AAA Supplementary Rule for Multiple Case Filings, MC-1(b).* This is the case “whether or not such cases are filed simultaneously.” *See id.*, MC-1(c). Here, there are thousands

¹ Earlier this morning, Hattis & Lukacs submitted purported claims on behalf of an additional 4,798 Claimants.

² Based upon Sirius XM's review of the submissions it appears that there are 47 California and 8 New Jersey Claimants in Case 01-23-0003-1392 and 581 California and 146 New Jersey Claimants in Case 01-23-0002-6406.

JONES DAY

Victoria Chandler
August 7, 2023
Page 3

of “similar Demands for Arbitration,” all filed against Sirius XM, and the counsel for all Claimants and Sirius XM is the same “across the cases.” Accordingly, fees should be charged “according to the applicable Multiple Case Filings Administrative Fee Schedule” for a single Multiple Case Filing. *See id.*, MC-10(a); *see also* AAA Consumer Arbitration Rules, Costs of Arbitration, §B (setting forth Multiple Case Filing criteria and “tiers” with associated per claim fees).

While Sirius XM recognizes that AAA has divided the current claims into two “cases,” the claims and underlying Customer Agreement are nearly identical and there will be tremendous overlap between the “cases.” Accordingly, Sirius XM believes it is appropriate, and consistent with the Supplementary Rules for Multiple Case Filings, to assess filing fees based on the total number of claims that will ultimately be arbitrated. Indeed, the Supplementary Rules for Multiple Case Filings do not require that all claims in a single Multiple Case Filing arise under a single Customer Agreement and the requirement that all Claimants make “similar Demands for Arbitration,” is clearly satisfied here.

Charging fees based on two (or more) separate “cases” improperly and unfairly subjects Sirius XM to the increased per filing fees associated with smaller matters. *See* AAA Supplementary Rule for Multiple Case Filings, MC-1, 10. In terms of basic fairness, Sirius XM should not be charged fees associated with two (or more) smaller sets of filings when the reality is that Sirius XM is facing a coordinated, mass arbitration attack. The unfairness here is particularly potent, as the increased per filing fees serve to enhance Claimants’ counsel’s improper scheme to subject Sirius XM to filing fees that are divorced from the viability of the claims. Hattis & Lukacs’ recent correspondence seeking to file thousands of additional, identical claims only highlights and exacerbates the issue. *See* n. 1. Accordingly, Sirius XM’s filing fees should be assessed based on the total number of claims to be arbitrated, rather than a scale that resets based on the number of “cases” among which the claims are divided.

Finally, Sirius XM also asks that AAA send its standard notice to Claimants’ counsel informing them of their right to advance the filing fees connected with non-California and non-New Jersey Claimants’ claims. That way, these Claimants can exercise their rights in a timely fashion, and AAA can know whether to proceed or to administratively close these matters.

Respectfully submitted,



Eric P. Stephens

Enclosures

cc: Daniel M. Hattis (via electronic mail)

EXHIBIT I



AMERICAN
ARBITRATION
ASSOCIATION®

INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®

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August 21, 2023

Daniel M. Hattis, Esq.
Hattis & Lukacs
400 108th Avenue NE
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Bellevue, WA 98004
Via Email to: dan@hattislaw.com

Lee A. Armstrong, Esq.
Jones Day
250 Vesey Street
New York, NY 10281-1047
Via Email to: laarmstrong@jonesday.com

Case Numbers: 01-23-0003-1392 & 01-23-0002-6406

Individual Claimants
-vs-
Sirius XM Radio, Inc.

Dear Parties:

This will confirm receipt of correspondence from Eric Stephens dated August 7, 2023, and August 10, 2023. This will also confirm receipt of a response from Daniel Hattis dated August 9, 2023.

The AAA has reviewed the parties' contentions. There is disagreement as to whether or not the AAA should combine the two mass arbitration groups into a single group, or keep the filings separated based on contract date. We note that two arbitration clauses providing for arbitration with the AAA were provided with the filing matters, one dated July 1, 2018 and the other dated October 14, 2021. The parties further disagree as to whether or not the AAA should reissue invoices that only include claimants residing in California and New Jersey.

At this time the AAA will separately administer these two mass arbitration caseload groups as they are subject to different contracts. The billing for the two caseloads will also remain separate. As respondent has advised they will only pay filing fees to proceed with administration against those claimants residing in California and New Jersey, we are providing invoices to solely reflect the New Jersey and California claimants. An updated list of those claimants, as well as the invoices are enclosed.

Sirius, is now responsible for payment of the initial filing fee for the 54 cases totaling \$17,550.00. Sirius, is also responsible for payment of the initial filing fee for the 727 cases totaling \$219,250.00. Payment from the Business is due upon receipt. As these arbitrations are subject to California Code of Civil Procedure sections 1281.97 and 1281.98, payment from the Business must be paid by August 28, 2023 or the AAA may close this case. In accordance with California Code of Civil Procedure section 12(a), please note that since this date falls on a weekend or holiday, payment must be paid by **August 28, 2023**.

Payment may be submitted by credit card or electronic check. Please confirm the email address to which the AAA will send a secured paylink and the instructions for payment via either method. If paying by check, please make it payable to the American Arbitration Association (AAA) and send it to the AAA at 13727 Noel Road, Suite 1025, Dallas, TX 75240.

As for the remaining non-California and New Jersey cases, as the respondent has advised they will not pay the filing fees for these matters, in order for the matters to proceed in AAA arbitration, the claimants could choose to pay Sirius's portion of the filing fees. Unless the claimants' or Sirius pay Sirius's portion of the filing fees for the non-California and New Jersey cases, the AAA will close all these cases after August 28, 2023.

R-1(d) of the Consumer Arbitration Rules (Consumer Rules), provides, "should the AAA decline to administer an arbitration, either party may choose to submit its dispute to the appropriate court for resolution." Further, as set forth in Consumer Arbitration Rules, Costs of Arbitration, AAA Administration Fees, section (i), "in the event any multiple case filings are closed due to non-payment of filing fees by the business, the AAA will return any filing fees received from the individuals." The consumers' portion of the filing fees paid for the non-California and New Jersey cases will be refund upon the closing of those cases.

The AAA encourages the parties to meet and confer on processes that promote an efficient and economical path toward the resolution of these matters. Once the parties have met their respective filing requirements, the AAA will schedule an administrative call with the parties to further discussion any potential efficiencies.

Sincerely,

/s/

Victoria Chandler
Director of ADR Operations
Direct Dial: (612)278-5124
Email: VictoriaChandler@adr.org
Fax: (612)342-2334

Enclosure

cc: Paul K. Lukacs, Esq.
Che Corrington, Esq.
Eric P. Stephens
Stephen DeNittis

EXHIBIT J

Re: Individuals v Sirius XM

Daniel Hattis <dan@hattislaw.com>

Mon 8/21/2023 1:08 PM

To:AAA Victoria Chandler <VictoriaChandler@adr.org>;Stephens, Eric P. <epstephens@jonesday.com>;Armstrong, Lee A. <laarmstrong@JonesDay.com>;sdenittis@denittislaw.com <sdenittis@denittislaw.com>;Paul Karl Lukacs <pkl@hattislaw.com>;Che Corrington <che@hattislaw.com>

Dear Ms. Chandler,

Claimants decline to pay the AAA filing fees that are due and owing from SiriusXM.

Thank you,

Dan Hattis
Hattis & Lukacs
11711 SE 8th Street, Suite 120
Bellevue, WA 98005
Direct: (425) 233-8628
www.hattislaw.com

From: AAA Victoria Chandler <VictoriaChandler@adr.org>

Date: Monday, August 21, 2023 at 11:47 AM

To: Stephens, Eric P. <epstephens@jonesday.com>, Armstrong, Lee A. <laarmstrong@JonesDay.com>, sdenittis@denittislaw.com <sdenittis@denittislaw.com>, Paul Karl Lukacs <pkl@hattislaw.com>, Che Corrington <che@hattislaw.com>, Daniel Hattis <dan@hattislaw.com>

Subject: Individuals v Sirius XM

Counsel –

Please see the attached correspondence.

Sincerely,

Victoria



**AAA Victoria Chandler
Director of ADR Operations**

American Arbitration Association

T: 612 278 5124 F: 612 342 2334 E: VictoriaChandler@adr.org
2355 Highway 36 West, Suite 400, Roseville, MN 55113
adr.org | icdr.org | aaamediation.org



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EXHIBIT K



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September 6, 2023

Daniel M. Hattis, Esq.
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400 108th Avenue NE
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Via Email to: dan@hattislaw.com

Lee A. Armstrong, Esq.
Jones Day
250 Vesey Street
New York, NY 10281-1047
Via Email to: laarmstrong@jonesday.com

Case Number: 01-23-0002-6406

Individual Claimants
-vs-
Sirius XM Radio, Inc.

Dear Parties:

On August 21, 2023, the American Arbitration Association (AAA) sent correspondence to the parties prompted by the Respondent's correspondence declining to pay the Respondent's filings fees for any matters in which the Claimant did not reside in California or New Jersey. The AAA's August 21 correspondence indicated the AAA would proceed with administration of cases where the Claimant resides in either California, or New Jersey once the filing requirements were met, including the payment of the Respondent's portion of the filing fees. An updated invoice was provided to the parties at that time. The AAA also noted that we would close the cases in which the Respondent's portion of the filing fees was not received by August 28, 2023. The AAA subsequently received correspondence dated August 21, 2023, from Daniel Hattis noting that the Claimant declined to pay the remaining portion of the Respondent's Initial Administrative Fees for the non-California and non-New Jersey Claimants' cases.

As payment of the Respondent's filing fees has not been made on the remaining cases by either party, the AAA has now administratively closed those 4,843 cases. A list of these cases in enclosed. Also, as set forth in Consumer Arbitration Rules, Costs of Arbitration, AAA Administration Fees, section (i), "in the event any multiple case filings are closed due to non-payment of filing fees by the business, the AAA will return any filing fees received from the individuals." The consumers' portion of the filing fees paid for the non-California and New Jersey cases are subject to a refund. The AAA notes that counsel for Claimants have filed an additional 4,453 new cases. We ask that Mr. Hattis advise whether this money should be allocated to satisfy the consumers' filing requirements on the new cases or whether the AAA should issue a refund of this money. Absent a response by September 13, 2023 a refund will be issued.

Pursuant to the AAA's current policy, in the normal course of our administration, the AAA may maintain certain electronic case documents in our electronic records system. Such electronic documents may not constitute a

complete case file. Other than certain types of electronic case documents that the AAA maintains indefinitely, electronic case documents will be destroyed 18 months after the date of this letter.

Sincerely,

/s/

Victoria Chandler
Director of ADR Operations
Direct Dial: (612)278-5124
Email: VictoriaChandler@adr.org
Fax: (612)342-2334

cc: Paul K. Lukacs, Esq.
Che Corrington, Esq.
Eric P. Stephens
Stephen DeNittis

EXHIBIT L



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September 6, 2023

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Lee A. Armstrong, Esq.
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New York, NY 10281-1047
Via Email to: laarmstrong@jonesday.com

Case Number: 01-23-0003-1392

Individual Claimants
-vs-
Sirius XM Radio, Inc.

Dear Parties:

On August 21, 2023, the American Arbitration Association (AAA) sent correspondence to the parties prompted by the Respondent's correspondence declining to pay the Respondent's filings fees for any matters in which the Claimant did not reside in California or New Jersey. The AAA's August 21 correspondence indicated the AAA would proceed with administration of cases where the Claimant resides in either California, or New Jersey once the filing requirements were met, including the payment of the Respondent's portion of the filing fees. An updated invoice was provided to the parties at that time. The AAA also noted that we would close the cases in which the Respondent's portion of the filing fees was not received by August 28, 2023. The AAA subsequently received correspondence dated August 21, 2023, from Daniel Hattis noting that the Claimant declined to pay the remaining portion of the Respondent's Initial Administrative Fees for the non-California and non-New Jersey Claimants' cases.

As payment of the Respondent's filing fees has not been made on the remaining cases by either party, the AAA has now administratively closed those 318 cases. A list of these cases is enclosed. Also, as set forth in Consumer Arbitration Rules, Costs of Arbitration, AAA Administration Fees, section (i), "in the event any multiple case filings are closed due to non-payment of filing fees by the business, the AAA will return any filing fees received from the individuals." The consumers' portion of the filing fees paid for the non-California and New Jersey cases are subject to a refund. The AAA notes that counsel for Claimants have filed an additional 345 new cases. We ask that Mr. Hattis advise whether this money should be allocated to satisfy the consumers' filing requirements on the new cases or whether the AAA should issue a refund of this money. Absent a response by September 13, 2023 a refund will be issued.

Pursuant to the AAA's current policy, in the normal course of our administration, the AAA may maintain certain electronic case documents in our electronic records system. Such electronic documents may not constitute a

complete case file. Other than certain types of electronic case documents that the AAA maintains indefinitely, electronic case documents will be destroyed 18 months after the date of this letter.

Sincerely,

/s/

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Eric P. Stephens
Stephen DeNittis